

CHAPTER 291

COOPERATIVE ASSOCIATIONS

H. F. 78

AN ACT relating to the distribution of earnings of cooperative associations organized under chapter four hundred ninety-nine (499), Code 1962.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred ninety-nine point thirty (499.30),
2 Code 1962, is amended by striking all of the last paragraph and insert-
3 ing in lieu thereof the following:

4 Notwithstanding the articles of incorporation of any association now
5 in effect, for each taxable year of the association beginning after De-
6 cember 31, 1962, all remaining net earnings shall be allocated to the
7 account of each member, including subscribers described in section
8 four hundred ninety-nine point sixteen (499.16) of the Code ratably in
9 proportion to the business he had done with the association during
10 such year. The directors shall determine, or the articles of incorpora-
11 tion or by-laws of the association may specify, the percentage or the
12 amount of said allocation that currently shall be paid in cash, provided
13 that so long as there are unpaid deferred patronage dividends for prior
14 years the amount currently payable in cash shall not exceed twenty
15 percent of said allocation. All said remaining allocation not so paid in
16 cash shall be transferred to a revolving fund and credited to said mem-
17 bers and subscribers. Such credits in the revolving fund are herein
18 referred to as deferred patronage dividends.

Approved March 4, 1963.

CHAPTER 292

COOPERATIVE ASSOCIATIONS

S. F. 349

AN ACT relating to the amendment of the articles or bylaws of cooperative associa-
tions.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred ninety-nine point forty-one
2 (499.41), Code 1962, is hereby amended by striking the first para-
3 graph of said section and inserting in lieu thereof the following:

4 "Notwithstanding the provisions of the articles of incorporation of
5 any association pertaining to amendment thereto now in effect, any
6 association may amend its articles of incorporation by a vote of
7 seventy-five percent (75%) of the members present, or represented,
8 and having voting privileges, at any annual meeting or any special
9 meeting called for that purpose, provided that at least ten (10) days
10 before said annual meeting or special meeting a copy of the proposed
11 amendment or summary thereof be sent to all members having voting
12 rights; or said articles of incorporation may be amended in accordance